

United States District Court

MIDDLE

DISTRICT OF

ALABAMA

In the matter of the Search of
(Name, address or brief description of person, property or
premises to be searched)

Jerri Baker Real Estate, L.L.C.
8228 Old Federal Road
Montgomery, Alabama 36117

APPLICATION AND AFFIDAVIT FOR SEARCH WARRANT

CASE NUMBER: *2:07mj-1-SKW*

I Chris LaCarter being duly sworn depose and say:

I am a(n) Special Agent, Federal Bureau of Investigations and have reason to believe

that ☐ on the person of or ☒ on the property or premises known as (name, description and/or location)

8228 Old Federal Road, Montgomery, Alabama

in the Middle District of Alabama

there is now concealed a certain person or property, namely (describe the person or property to be seized)

See Attachment A

which is (state one or more bases for search set forth under Rule 41(b) of the Federal Rules of Criminal Procedure)

Evidence of a crime and property designed for use, intended for use, or used in committing a crime
concerning a violations of Title 18, United States Code, Section 1343.

The facts to support the issuance of a Search Warrant are as follows:

See Attachment B

Continued on the attached sheet and made a part hereof: ☒ Yes ☐ No

Christophe P. LaCarter
Signature of Affiant

Sworn to before me and subscribed in my presence,

1/23/07 at
Date

Montgomery, Alabama
City and State

Susan Russ Walker, U.S. Magistrate Judge
Name & Title of Judicial Officer

Susan Russ Walker
Signature of Judicial Officer

ATTACHMENT A
PROPERTY TO BE SEIZED

1. Tapes, cassettes, cartridges, streaming tape, commercial software and hardware, computer disks, disk drives, tape drives, disk application programs, data disks, system disk operating systems, magnetic media floppy disks, CD-ROMs, CD-RWs, CD-Rs, DVDs, hardware and software operating manuals, tape systems and hard drive and other computer related operation equipment and the data within the aforesaid objects that may or does contain information relating to purchases, sales, appraisals, and loans (collectively, "Transactions") involving the following properties (the "Properties"):

- a. 4057 Narrow Lane Road, Montgomery, Alabama
- b. 226 Broadway Street, Montgomery, Alabama
- c. 2661 W Edgemont Avenue, Montgomery, Alabama
- d. 118 Stuart Street, Montgomery, Alabama
- e. 4 Stuart Street, Montgomery, Alabama
- f. 2437 Cherry Street, Montgomery, Alabama
- g. 2518 Drake Street, Montgomery, Alabama
- h. 1215 Lake Street, Montgomery, Alabama
- i. 2455 Woodlawn Street, Montgomery, Alabama
- j. 1805 Rigby Street, Montgomery, Alabama
- k. 3440 Gilmer Avenue, Montgomery, Alabama
- l. 378 Prairie Vista Street, Montgomery, Alabama
- m. 2803 Mallory Street, Montgomery, Alabama
- n. 2 Davis Drive, Montgomery, Alabama
- o. 609 Boyce Street, Montgomery, Alabama
- p. 105 Stuart Street, Montgomery, Alabama
- q. 2029 Merrily Drive, Montgomery, Alabama
- r. 26 Kelly Lane, Montgomery, Alabama
- s. 2021 Teresa Street, Montgomery, Alabama
- t. 3911 Rosa Parks, Montgomery, Alabama
- u. 964 N Gap Loop, Montgomery, Alabama
- v. 817 N Pass Road, Montgomery, Alabama
- w. 71 W Southmont, Montgomery, Alabama
- x. 3661 Whiting Avenue, Montgomery, Alabama
- y. 126 Kiwanis Street, Montgomery, Alabama
- z. 5176 Rush Drive, Montgomery, Alabama
- aa. 320 E Patton Avenue, Montgomery, Alabama
- bb. 667 Iris Lane, Montgomery, Alabama
- cc. 4 Kelly Lane, Montgomery, Alabama
- dd. 601 6th Street, Montgomery, Alabama
- ee. 2719 Forbes Drive, Montgomery, Alabama
- ff. 720 Capri Street, Montgomery, Alabama
- gg. 3580 Boxwood Drive, Millbrook, Alabama
- hh. 3606 Dundale Road, Montgomery, Alabama
- ii. 15 W Woodland Drive, Montgomery, Alabama
- jj. 803 N Pass Road, Montgomery, Alabama

kk. 3534 Gaylord Place, Montgomery, Alabama
ll. 413 Burgwyn Road, Montgomery, Alabama
mm. 277 Shadyside Lane, Montgomery, Alabama
nn. 3399 E Tuskegee Circle, Montgomery, Alabama
oo. 6113 Jennifer Lane, Montgomery, Alabama
pp. 118 Chisholm Street, Montgomery, Alabama
qq. 2142 E 2nd Street, Montgomery, Alabama
rr. 127 Canna Drive, Montgomery, Alabama
ss. 12 Courtland Drive, Montgomery, Alabama
tt. 1952 Amelia Street, Montgomery, Alabama
uu. 3763 Whiting Avenue, Montgomery, Alabama
vv. 627 Iris Lane, Montgomery, Alabama
ww. 824 W Patton, Montgomery, Alabama
xx. 2316 E 5th Street, Montgomery, Alabama
yy. 114 Chisholm Street, Montgomery, Alabama
zz. 545 Broadway Street, Montgomery, Alabama
aaa. 250 Burgwyn Road, Montgomery, Alabama
bbb. 3749 Whiting Avenue, Montgomery, Alabama
ccc. 513 4th Street, Montgomery, Alabama
ddd. 508 4th Street, Montgomery, Alabama
eee. 505 4th Street, Montgomery, Alabama
fff. 301 3rd Street, Montgomery, Alabama
ggg. 11 Michigan Avenue, Montgomery, Alabama
hhh. 3241 Southmont, Montgomery, Alabama
iii. 132 Hannon Street, Montgomery, Alabama
jjj. 103 Stuart Street, Montgomery, Alabama
kkk. 3321 Suwanee Drive, Montgomery, Alabama
lll. 3332 E Tuskegee Circle, Montgomery, Alabama
mmm. 2051 Potomac Street, Montgomery, Alabama
nnn. 6133 Cherry Hill Road, Montgomery, Alabama
ooo. 3933 Goode Street, Montgomery, Alabama
ppp. 3687 Oak Street, Montgomery, Alabama
qqq. 742 Doris Circle, Montgomery, Alabama
rrr. 6149 Cherry Hill Road, Montgomery, Alabama
sss. 846 N Gap Loop, Montgomery, Alabama
ttt. 2419 Cherry Street, Montgomery, Alabama
uuu. 4509 Lilly Lane, Montgomery, Alabama
vvv. 112 Park Avenue, Montgomery, Alabama
www. 135 Truett Drive, Montgomery, Alabama
xxx. 3584 Norman Bridge Road, Montgomery, Alabama
yyy. 4507 Sawston Court, Montgomery, Alabama
zzz. 3540 Whiting Avenue, Montgomery, Alabama
aaaa. 5131 Rush Drive, Montgomery, Alabama
bbbb. 516 Japonica Street, Montgomery, Alabama
cccc. 3601 S Court Street, Montgomery, Alabama
dddd. 309 Broadway Street, Montgomery, Alabama

eeee. 2021 Teresa Street, Montgomery, Alabama
ffff. 2221 Wesley Avenue SW, Birmingham, Alabama
gggg. 840 Vanderbilt Street, Birmingham, Alabama
hhhh. 235 Empire Road, Montgomery, Alabama
iiii. 345 Milton Road, Montgomery, Alabama
jjjj. 311 Milton Road, Montgomery, Alabama
kkkk. 2233 E 4th Street, Montgomery, Alabama
llll. 721 Belvedere Drive, Montgomery, Alabama
mmmm. 346 Larchmont Drive, Montgomery, Alabama
nnnn. 220 Burgwyn Road, Montgomery, Alabama
oooo. 4341 Amherst Drive, Montgomery, Alabama
pppp. 221 Azalea Drive, Montgomery, Alabama
qqqq. 230 Flair Drive, Montgomery, Alabama
rrrr. 6 E Park Avenue, Montgomery, Alabama
ssss. 3779 S Court Street, Montgomery, Alabama
tttt. 2121 E 6th Street, Montgomery, Alabama
uuuu. 3012 Avenue E, Birmingham, Alabama
vvvv. 1417 Alabama Avenue, Birmingham, Alabama
www. 8609 Division Avenue, Montgomery, Alabama

2. All files books, ledgers and records relating to Transactions involving the Properties.

3. Correspondence and communications in any form, including letters, envelopes, faxes, electronic mail, chat logs, and electronic messages relating to Transactions involving the Properties.

4. Address book entries and mailing lists identifying any persons participating in Transactions involving the Properties.

5. Records evidencing occupancy or ownership or use of computer equipment found in the above location, including, but not limited to, sales receipts, bills for Internet access, handwritten notes and hand written notes in computer manuals.

6. For the period October 10, 2004 to present, any and all financial account records, including statements of bank accounts and brokerage accounts, wire transfers, deposit slips, and cancelled checks.

7. For the period October 10, 2004 to present, any and all records relating to "land line" telephones, cellular telephones, and pagers.

8. Any of the items described in paragraphs 1-8 above that are stored in the form of magnetic or electronic coding on computer media, or media capable of being read by a computer, with the aid of computer related equipment, including floppy diskettes, CD-ROMs, CD-Rs, CD-RWs, DVDs, fixed hard drives or removable hard disk cartridges, software or memory in any form. The search procedure for electronic data contained in

computer operating software or memory devices, where performed onsite or in a laboratory, or other controlled environment, may include the following techniques:

a. The seizure of any computer or computer related equipment or data, including floppy diskettes, CD-ROMs, CD-Rs, CD-RWs, DVDs, fixed hard drives or removable hard disk cartridges, software or memory in any form containing material described above, and the removal thereof from the PREMISES for analysis by authorized personnel;

b. Surveying various file "directories" and the individual files they contain (analogous to looking at the outside of a file cabinet for the marking it contains and opening a drawer believed to contain pertinent files);

c. "Opening" or cursorily reading the first few pages of such files in order to determine their precise contents;

d. "Scanning" storage areas to discover and possibly recover recently deleted data;

e. "Scanning" storage areas for deliberately hidden files; or

f. Performing keyword searches through all electronic storage areas to determine whether occurrences of language contained in such storage areas exist that are intimately related to the subject matter of the investigation.

ATTACHMENT B
AFFIDAVIT

Your affiant, Christopher P. LaCarter, having first been duly sworn, does state that the following information is true and correct to the best of his knowledge:

1. I am a Special Agent with the Federal Bureau of Investigation (FBI) and have been so employed for the past 6 months. Prior to my employment with the FBI, I was employed with the Hickory Police Department (HPD), Hickory, North Carolina, for 10 years. During the past 10½ years of my law enforcement career, I have received training in the investigation of fraudulent schemes and have personally participated as an assisting agent during the investigation of these fraudulent schemes.

2. This affidavit is being made in support of a search warrant for the businesses of:

- a. Jerri Baker Real Estate, L.L.C.
8228 Old Federal Road
Montgomery, Alabama, 36117, and
- b. Betts Realty and Appraisal Service
2613 #A Bay Street
Montgomery, Alabama, 36107.

3. In connection with my official duties, I have been personally involved in the investigation of mortgage fraud which occurred at Countrywide Home Loans, Inc. (Countrywide), Branch 230, 2542 Eastern Boulevard, Montgomery, Alabama, 36117, a subsidiary of Countrywide Financial Corporation. My investigation, in part, includes discussions and information provided to me by Countrywide Fraud Risk Management Investigators, State of Alabama State Banking Department-Bureau of Loans, and FBI Special Agents.

4. As described in detail in this Affidavit, investigation to date shows probable cause to believe that a scheme to defraud Countrywide has been devised, and that interstate wire communications have been used to execute the scheme. In particular, the investigation shows probable cause to believe that the following has occurred:

- a. An entity controlled by Robert Burton Guest Jr. of Orlando, Florida purchased residential properties in or near Montgomery, Alabama and Birmingham, Alabama.
- b. Jerri Baker of Jerri Baker Real Estate, L.L.C., was Robert Guest's broker in each purchase transaction.
- c. Within approximately 1-6 months, Robert Guest sold each property to an individual investor.

- d. The sale price of each residential property was 2 to 3 times greater than the price at which Robert Guest bought the property.
- e. The purchases by the individual investors were financed by Countrywide.
- f. The majority of the Countrywide loans were originated by Countrywide employees Sonya Berrey and Donna Young. Jerri Baker and Sonya Berrey have a business and personal relationship.
- g. In connection with the Countrywide loans, an appraisal was performed by Betts Appraisal Service. The appraisal shows an appraised value of the property far in excess of the actual market value.
- h. Each of the Countrywide loans was devised as an 80/20 loan, wherein the individual investor was required to fund 20% of the actual purchase price. However, it is believed that Robert Guest has refunded each investor's 20% down payment after closing, causing Countrywide to unknowingly finance 100% of the actual purchase price in each transaction.
- i. The settlement agent for each of the Countrywide loans was Nan Stinson of Reli, Inc.

5. On January 04, 2007, Jeremy Windham, State of Alabama State Banking Department-Bureau of Loans, stated to Affiant that he received a telephone call from LeeAnn Franklin, 3417 Kilmarnock Drive, Apopka, Florida, 327112, in reference to property that she and her husband, Woody D. Franklin Sr., own in Montgomery, Alabama. The property discussed was 846 N Gap Loop, Montgomery, Alabama, 36110. Mrs. Franklin told Mr. Windham that she had contacted a real estate agent in Montgomery, Alabama in reference to selling this property. The real estate agent told Mrs. Franklin that they would be able to list 846 N Gap Loop, Montgomery, Alabama, 36110, for the selling price of \$30,000.00 to \$35,000.00. Mrs. Franklin told Mr. Windham that she and her husband purchased the property from Guest Property Sales, L.L.C. on July 26, 2006 for the sale price of \$87,000.00. The property was financed through Countrywide in Montgomery, Alabama. The Franklins financed 80% of the properties purchase price, \$69,600.00 through Countrywide and paid \$21,103.57 in cash at closing. A few days later the Franklins received a check from Guest Property Sales, L.L.C. for \$21,103.57 to reimburse them their 20% down payment.

6. Mrs. Franklin provided Mr. Windham with a copy of the Loan Origination documents and the Appraisal of Real Property for 846 N Gap Loop, Montgomery, Alabama, 36110.

7. The Loan Origination documents for 846 N Gap Loop, Montgomery, Alabama, 36110, show the following:

- a. Date of Closure: July 26, 2006
- b. Borrower: Woody D Franklin Sr., 3417 Kilmarnock Drive, Apopka, Florida, 327112.
- c. Seller: Robert Guest Properties, Inc., 1580 Ensenado Drive, Orlando, Florida, 32825.
- d. Lender: Countrywide Home Loans, Inc., 2542 Eastern Boulevard, Montgomery, Alabama, 36117.
- e. Settlement Agency: Reli, Inc., 4137 Carmichael Road, Suite 120, Montgomery, Alabama 36106 – Nan Stinson (closing agent)
- f. Appraisal Service: Betts Appraisal Service
- g. Contract Sale Price: \$87,000.00
- h. Principal amount of loan: \$69,600.00
- i. Cash from borrower: \$21,103.57

8. The Appraisal of Real Property for 846 N Gap Loop, Montgomery, Alabama, 36110, shows the following:

- a. Date of Prior Sale: June 26, 2006
- b. Prior Sale Price: \$32,000.00
- c. Date of Appraisal: July 18, 2006
- d. Appraisal Service: Betts Appraisal Service, PO BOX 113382, Montgomery, Alabama, 36111
- e. Appraiser: Laura M. Betts
- f. Average Distance to Comparable Sale: .94 miles

9. Mr. Windham conducted a computerized search of MLS listing in the Montgomery, Alabama area and found the property 846 N Gap Loop, Montgomery, Alabama, 36110, MLS#229129m, to have been sold on June 26, 2006 for \$32,000. The selling office was Jerri Baker Real Estate and the selling agent was Jerri Baker.

10. Through the computerized MLS listing and computerized Warranty Deed records, Mr. Windham discovered several properties in the Montgomery, Alabama area have been sold to investors by Guest Properties Sales, L.L.C. after being purchased through the Selling Office of Jerri Baker Real Estate with the selling agent Jerri Baker. The properties Mr. Windham found are as follows:

a. On October 18, 2004, 3440 Gilmer Avenue, Montgomery, Alabama, 36105, was sold for \$41,000.00 through the Selling Office of Jerri Baker Real Estate with the Selling Agent of Jerri Baker. Property was originally listed for sale on October 10, 2004. On May 11, 2005 the property was sold by Guest Property Sales, L.L.C. for \$81,000.00 to Brett A. Rosenbaum. Countrywide, thus far, has identified this transaction as the first involving Robert Guest and Countrywide, with relation to properties in Alabama.

b. On February 16, 2005, 2803 Mallory, Montgomery, Alabama, 36109, was sold for \$22,000.00 through the Selling Office of Jerri Baker Real Estate with the Selling Agent of Jerri Baker. On June 15, 2005 the property was sold by Guest Property Sales, L.L.C. for \$77,500.00 to Brett A. Rosenbaum.

c. On August 31, 2005, 720 Cloverhill Drive, Montgomery, Alabama, 36105, was sold for \$13,250.00 through the Selling Office of Jerri Baker Real Estate with the Selling Agent of Jerri Baker. On October 26, 2005 the property was sold by Guest Property Sales, L.L.C. for \$95,000.00 to Matthew W. Bahr.

d. On September 23, 2005, 526 Chisholm, Montgomery, Alabama, 36110, was sold for \$30,000.00 through the Selling Office of Jerri Baker Real Estate with the Selling Agent of Jerri Baker. On January 03, 2006 the property was sold by Guest Property Sales, L.L.C. for \$92,500.00 to Matthew W. Bahr.

11. On December 19, 2006, investigators conducted an agents, officers and incorporators inquiry through the Office of the Secretary of State for the State of Alabama on Jerri Moore Baker and Sonya Michelle Berry. Records show that Jerri Baker is the Registered Agent for Jerri Baker Real Estate, L.L.C., 3334 Cloverdale Road, Montgomery, Alabama, 36106. Records show that Sonya Berrey is the Registered Agent for Miracle Investments, L.L.C., 7166 Old Southwick Place, Montgomery, Alabama, 36117. Sonya Berrey is also listed as a member for B.A.S.S. Buggy, L.L.C., along with Jerri Baker.

12. Further investigation found that on November 24, 2003 Jerri Baker purchased a residence at 7166 Old Southwick Place, Montgomery, Alabama, 36117, with the mortgage lender being Countrywide. On December 14, 2005 property transfer records show the property was re-titled from Jerri Baker to Jerri Baker and Sonya Berrey.

13. Computerized driver license records of the State of Alabama show Jerri Baker, State of Alabama driver license number 5322544, home address to be 7166 Old Southwick Place, Montgomery, Alabama, 36117, with the issuance date of April 21, 2005.

14. Computerized driver license records of the State of Alabama show Sonya Berrey, State of Alabama driver license number 5623151, home address to be 7166 Old Southwick Place, Montgomery, Alabama, 36117, with the issuance date of May 27, 2005.

15. On January 17, 2007, Michele Struckman, Senior Investigator, Countrywide Home Loans Mortgage Fraud Risk Management stated that upon a preliminary review of all Countrywide mortgage records, approximately 100 loans have been identified wherein the property financed by Countrywide had been purchased from Robert Guest, Robert Guest Properties, Inc., Guest Property Sales, L.L.C., or Guest Properties, Inc. A review of the records showed that each property had been purchased by Guest and then subsequently sold to the individual for at least 100 percent greater than Guest's original purchase price. The originator on each loan examined was Sonya Berrey or Donna Young, both Countrywide employees of Branch 230, 2542 Eastern Boulevard, Montgomery, Alabama, 36117. All appraisals for the properties appear to have been completed by one appraiser and all property titling appears to have been completed by Nan Stinson of Reli Title, Inc.

16. On January 19, 2007, Countrywide responded to a subpoena regarding any loans involving Robert Guest, Robert Guest Properties, Inc., Guest Property Sales, L.L.C. and/or Guest Properties, Inc. Countrywide informed investigators that a total of ninety-five (95) properties had been identified in Montgomery, Alabama, one (1) property in Millbrook, Alabama, and five (5) properties in Birmingham, Alabama that had been purchased from Robert Guest through Robert Guest Properties, Inc., Guest Property Sales, L.L.C., or Guest Properties, Inc. with mortgages held by Countrywide. A total of fifteen (15) investors were found for the one hundred and one (101) properties. The properties provided to investigators by Countrywide are the following:

- a. 4057 Narrow Lane Road, Montgomery, Alabama
- b. 226 Broadway Street, Montgomery, Alabama
- c. 2661 W Edgemont Avenue, Montgomery, Alabama
- d. 118 Stuart Street, Montgomery, Alabama
- e. 4 Stuart Street, Montgomery, Alabama
- f. 2437 Cherry Street, Montgomery, Alabama
- g. 2518 Drake Street, Montgomery, Alabama
- h. 1215 Lake Street, Montgomery, Alabama
- i. 2455 Woodlawn Street, Montgomery, Alabama
- j. 1805 Rigby Street, Montgomery, Alabama
- k. 3440 Gilmer Avenue, Montgomery, Alabama
- l. 378 Prairie Vista Street, Montgomery, Alabama
- m. 2803 Mallory Street, Montgomery, Alabama
- n. 2 Davis Drive, Montgomery, Alabama
- o. 609 Boyce Street, Montgomery, Alabama
- p. 105 Stuart Street, Montgomery, Alabama
- q. 2029 Merrily Drive, Montgomery, Alabama
- r. 26 Kelly Lane, Montgomery, Alabama
- s. 2021 Teresa Street, Montgomery, Alabama

t. 3911 Rosa Parks, Montgomery, Alabama
 u. 964 N Gap Loop, Montgomery, Alabama
 v. 817 N Pass Road, Montgomery, Alabama
 w. 71 W Southmont, Montgomery, Alabama
 x. 3661 Whiting Avenue, Montgomery, Alabama
 y. 126 Kiwanis Street, Montgomery, Alabama
 z. 5176 Rush Drive, Montgomery, Alabama
 aa. 320 E Patton Avenue, Montgomery, Alabama
 bb. 667 Iris Lane, Montgomery, Alabama
 cc. 4 Kelly Lane, Montgomery, Alabama
 dd. 601 6th Street, Montgomery, Alabama
 ee. 2719 Forbes Drive, Montgomery, Alabama
 ff. 720 Capri Street, Montgomery, Alabama
 gg. 3580 Boxwood Drive, Millbrook, Alabama
 hh. 3606 Dundale Road, Montgomery, Alabama
 ii. 15 W Woodland Drive, Montgomery, Alabama
 jj. 803 N Pass Road, Montgomery, Alabama
 kk. 3534 Gaylord Place, Montgomery, Alabama
 ll. 413 Burgwyn Road, Montgomery, Alabama
 mm. 277 Shadyside Lane, Montgomery, Alabama
 nn. 3399 E Tuskegee Circle, Montgomery, Alabama
 oo. 6113 Jennifer Lane, Montgomery, Alabama
 pp. 118 Chisholm Street, Montgomery, Alabama
 qq. 2142 E 2nd Street, Montgomery, Alabama
 rr. 127 Canna Drive, Montgomery, Alabama
 ss. 12 Courtland Drive, Montgomery, Alabama
 tt. 1952 Amelia Street, Montgomery, Alabama
 uu. 3763 Whiting Avenue, Montgomery, Alabama
 vv. 627 Iris Lane, Montgomery, Alabama
 ww. 824 W Patton, Montgomery, Alabama
 xx. 2316 E 5th Street, Montgomery, Alabama
 yy. 114 Chisholm Street, Montgomery, Alabama
 zz. 545 Broadway Street, Montgomery, Alabama
 aaa. 250 Burgwyn Road, Montgomery, Alabama
 bbb. 3749 Whiting Avenue, Montgomery, Alabama
 ccc. 513 4th Street, Montgomery, Alabama
 ddd. 508 4th Street, Montgomery, Alabama
 eee. 505 4th Street, Montgomery, Alabama
 fff. 301 3rd Street, Montgomery, Alabama
 ggg. 11 Michigan Avenue, Montgomery, Alabama
 hhh. 3241 Southmont, Montgomery, Alabama
 iii. 132 Hannon Street, Montgomery, Alabama
 jjj. 103 Stuart Street, Montgomery, Alabama
 kkk. 3321 Suwanee Drive, Montgomery, Alabama
 lll. 3332 E Tuskegee Circle, Montgomery, Alabama

mmm. 2051 Potomac Street, Montgomery, Alabama
 nnn. 6133 Cherry Hill Road, Montgomery, Alabama
 ooo. 3933 Goode Street, Montgomery, Alabama
 ppp. 3687 Oak Street, Montgomery, Alabama
 qq. 742 Doris Circle, Montgomery, Alabama
 rrr. 6149 Cherry Hill Road, Montgomery, Alabama
 sss. 846 N Gap Loop, Montgomery, Alabama
 ttt. 2419 Cherry Street, Montgomery, Alabama
 uuu. 4509 Lilly Lane, Montgomery, Alabama
 vvv. 112 Park Avenue, Montgomery, Alabama
 www. 135 Truett Drive, Montgomery, Alabama
 xxx. 3584 Norman Bridge Road, Montgomery, Alabama
 yyy. 4507 Sawston Court, Montgomery, Alabama
 zzz. 3540 Whiting Avenue, Montgomery, Alabama
 aaaa. 5131 Rush Drive, Montgomery, Alabama
 bbbb. 516 Japonica Street, Montgomery, Alabama
 cccc. 3601 S Court Street, Montgomery, Alabama
 dddd. 309 Broadway Street, Montgomery, Alabama
 eeee. 2021 Teresa Street, Montgomery, Alabama
 ffff. 2221 Wesley Avenue SW, Birmingham, Alabama
 gggg. 840 Vanderbilt Street, Birmingham, Alabama
 hhhh. 235 Empire Road, Montgomery, Alabama
 iiii. 345 Milton Road, Montgomery, Alabama
 jjjj. 311 Milton Road, Montgomery, Alabama
 kkkk. 2233 E 4th Street, Montgomery, Alabama
 llll. 721 Belvedere Drive, Montgomery, Alabama
 mmmm. 346 Larchmont Drive, Montgomery, Alabama
 nnnn. 220 Burgwyn Road, Montgomery, Alabama
 oooo. 4341 Amherst Drive, Montgomery, Alabama
 pppp. 221 Azalea Drive, Montgomery, Alabama
 qq. 230 Flair Drive, Montgomery, Alabama
 rrrr. 6 E Park Avenue, Montgomery, Alabama
 ssss. 3779 S Court Street, Montgomery, Alabama
 tttt. 2121 E 6th Street, Montgomery, Alabama
 uuuu. 3012 Avenue E, Birmingham, Alabama
 vvvv. 1417 Alabama Avenue, Birmingham, Alabama
 www. 8609 Division Avenue, Montgomery, Alabama

A list of investors that were provided to investigators by Countrywide follows:

1. Robert Bahr
2. Todd Chamelin
3. Bruce Dunn
4. Calvin Elder
5. Woody Franklin Sr.

6. Terrill Jorgensen
7. Jewel Manahan
8. Sean McDonough
9. LeeAnn Melchiorre
10. Carley Norsworthy
11. Brett Rosenbaum
12. George Schneider
13. Lori Williams
14. Christopher Wunschel
15. Brittney Young

17. On January 19, 2007, Michele Struckman informed investigators that she had completed a review of a sampling of the one hundred and one (101) properties that are listed in paragraph 16. The sampling was compiled by selecting one (1) random mortgage loan from each of the fifteen (15) investors that had been identified thus far as purchasing property from Robert Guest through Robert Guest Properties, Inc., Guest Property Sales, L.L.C., or Guest Properties, Inc. The results of this sampling showed that on each of the Loan Origination documents audited, Betts Appraisal Service was the appraising agency of record. The results of this sampling further showed that Nan Stinson of Reli Title, Inc. was the tilting agent used at each closing. Sonya Berrey and/or Donna Young were found to be the Countrywide employees that processed each loan. Each loan was an 80/20 loan.

18. According to Countrywide, Landsafe Appraisals (Landsafe), an independent appraisal company employed by Countrywide, audited several of the appraisals for the properties listed in Paragraph 16. Landsafe found that each appraisal conducted by Betts Appraisals Service for the properties examined greatly inflated the value of the property.

19. On January 19, 2007 Countrywide advised that the above mention sampling in paragraph 16 showed that the loans were funded through an interstate wire transfer of funds.

20. On January 20, 2007 investigators went to the address of Jerri Baker Real Estate, 3334 Cloverdale Road, Montgomery, Alabama, as provided by the Office of the Secretary of State for the State of Alabama, as the registered address for the business. Investigators found the property to be under remodeling and no business present.

21. A public records search for Jerri Baker Real Estate indicates the business address to be 8228 Old Federal Road, Montgomery, Alabama, 36117, with the business telephone number to be 334-272-5220.

22. On January 21, 2007 investigators went to the address Jerri Baker Real Estate 8228 Old Federal Road, Montgomery, Alabama, 36117, as listed in public records. Investigators observed what appeared to be a red brick duplex with green shutters. A green sign with gold numbers was on the side of the structure on the left hand side of the green front door. The numbers on the sign were 8228. Investigators further observed a brick sign

in front of the duplex facing the roadway. The sign had the following two companies listed on it "8224 Security Land Title", "8228 Jerri Baker real Estate".

23. A public records search for Betts Realty and Appraisal Service indicates the business address to be 2613 #A Bay Street, Montgomery, Alabama, 36107 and PO BOX 11382 Montgomery, Alabama, 36111, with the business telephone number of 334-265-8258.

24. On January 21, 2007 investigators went to address of Betts Realty and Appraisal Service, 2613 #A Bay Street, Montgomery, Alabama, 36107 as listed in public records. Investigators observed what appeared to be a single occupancy structure, beige in color with a green roof. A white sign with green letters was on the side of the structure on the left hand side of the front door. Displayed on the sign were the words "Betts Realty and Betts Appraisal Service 265-8258".

25. On January 18, 2007, investigators reviewed records obtained from the website of the Florida Secretary of State. These records show the following:

- a. On February 13, 2002 Robert B. Guest, Jr. incorporated Robert Guest Properties, Inc. Robert Guest and Buffy Guest are the only two listed officers. The most recent corporation annual report, May 02, 2006, for this entity shows the current principal place of business as 1580 Ensenada Drive, Orlando, Florida, 32825.
- b. On March 13, 2003 Robert B. Guest, Jr. caused the formation of Guest Property Sales, L.L.C. The most recent limited liability company annual report, May 02, 2006, for this entity shows the current principal place of business as 1580 Ensenada Drive, Orlando, Florida, 32825.

26. A review of Robert Guest's criminal history in the National Criminal Information Center (NCIC) database found that Guest was arrested on November 18, 1983, by Daytona Beach Police Department for trafficking cocaine. No adjudication information could be found for this arrest. On August 10, 1990, Guest was arrested for cocaine distribution, drug conspiracy, and criminal forfeiture for aiding and abetting. Guest was convicted and sentenced in the United States District Court for the Southern District of Georgia to 121 months incarceration and 5 years supervised release.

27. On January 22, 2007 investigators with the FBI's Orlando Resident Agency went to the address of Robert Guest Properties, Inc. and Guest Property Sales, L.L.C., 1580 Ensenada Drive, Orlando, Florida, 32825, as listed on the website of the Florida Secretary of State. Investigators observed it to be a tan color residential property. There were no markings or signs identifying the property with Robert Guest Properties, Inc., Guest Property Sales, L.L.C., or Guest Properties, Inc.

29. Based on my training and experience and the experience of other FBI Special Agents with whom I have spoken, records of business are, in the majority of cases, kept at the principal business office. These records include, but are not limited to, bank records, business transaction records, correspondence, communications, books, ledgers, address books, mailing list, records of occupancy or ownership. I further know that the aforementioned records may be kept in "hard copy" form and/or electronic form.

28. Pursuant to my training and experience and the experience of other FBI Special Agents with whom I have spoken, I know computer hardware, software and electronic files may be important to a criminal investigation in two distinct ways: (1) the objects themselves may be contraband, evidence, instrumentalities, or fruits of crime; and/or (2) the objects may be used as storage devices that contain contraband, evidence, instrumentalities, or fruits of crime in the form of electronic data. Rule 41 of the Federal Rules of Criminal Procedure permits the government to search for and seize computer hardware, software, and electronic files that are evidence of crime, instrumentalities of crime, and/or fruits of crime. In this case, the warrant application requests permission to search and seize files pertaining to the properties listed in paragraph 16, including those that may be stored on a computer. The warrant application also request permission to search and seize records of correspondence, including those that may be stored on a computer. This affidavit also request permission to seize the computer hardware that may contain the files and correspondence if it becomes necessary for reasons of practicality to remove the hardware and conduct a search off-site. Your affiant believes that, in this case, the computer hardware is a container for evidence and being used to further facilitate the crime under investigation.

29. Searching and seizing information from computers often requires agents to seize most or all electronic storage devices (along with related peripherals) to be searched later by a qualified computer expert in a laboratory or other controlled environment. This is true because of the following.

a. The volume of evidence. Computer storage devices (like hard disks, diskettes, tapes, laser disks) can store the equivalent of millions of information. Additionally, a suspect may try to conceal criminal evidence, i.e., he might store it in random order with deceptive file names. This may require searching authorities to examine all stored data to determine which particular files are evidence or instrumentalities of crime. This sorting process can take weeks or months, depending on the volume of data stored, and it would be impractical and invasive to attempt this kind of data search on-site.

b. Technical Requirements. Searching computer systems for criminal evidence is a highly technical process requiring expert skill and a properly controlled environment. The vast array of computer hardware and software available requires even computer experts to specialize in some systems and applications, so it is difficult to know before a search which expert is qualified to analyze the system and its data. In any event, however, data search protocols are exacting scientific procedures designed to protect the integrity of the evidence and to recover even "hidden," erased, compressed, password-

protected, or encrypted files. Because computer evidence is vulnerable to inadvertent or intentional modifications or destruction (both from external sources and from a destructive code imbedded in the systems as a "booby trap"), a controlled environment may be necessary to complete an accurate analysis. Further, such searches often require the seizure of most or all of a computer system's input/output peripheral devices, related software, documentation, and data security devices (including passwords) so that a qualified computer expert can accurately retrieve the system's data in a laboratory or other controlled environment.

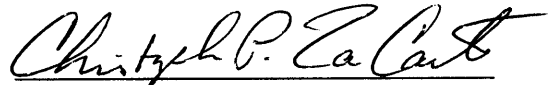
c. Data Recovery. Computer files or remnants of such files can be recovered months or even years after they have been downloaded onto a hard drive, deleted, or viewed via the Internet. Electronic files downloaded to a hard drive for years at little or no cost. Even when such files have been deleted, they can be recovered months or years later using readily-available forensics tools. When a person "deletes" a file on a computer, the data contained in the file does not actually disappear; rather, that data remains on the hard drive until it is overwritten with new data. Therefore, deleted files, or remnants of deleted files, may reside in free space or slack space – that is, in space on the hard drive that is not allocated to an active file or that is unused after a file has been allocated to a set block of storage space – for long periods of time before they are overwritten. In addition, a computer's operating system may also keep a record of deleted data in a "swap" or "recovery" file. Similarly, files that have been viewed via the Internet are automatically downloaded into a temporary Internet directory or "cache." The browser typically maintains a fixed amount of hard drive space devoted to these files, and the files are only overwritten as they are replaced with more recently viewed Internet pages. Thus, the ability to retrieve residue of an electronic file from a hard drive depends less on when the file was downloaded or viewed than on a particular user's operating system, storage capacity, and computer habits.

c. Data Analysis Techniques. Searching the subject computer system for the evidence described in Attachment A may require a range of data analysis techniques. In some cases, it is possible for agents to conduct carefully targeted searches that can locate evidence without requiring a time-consuming manual search through unrelated materials that may be commingled with criminal evidence. For example, agents may be to execute a "keyword" search that searches through the files stored in a computer for special words that are likely to appear only in the materials covered by the warrant. Similarly, agents may be able to locate the materials covered in the warrant by looking for particular directory or file names. In other cases, however, such techniques may not yield the evidence described in the warrant. Criminals can mislabel or hide files and directories; encode communications to avoid using key words; attempt to delete files to evade detection; or take other steps designed to frustrate law enforcement searches for information. These steps may require agents to conduct more extensive searches, such as scanning areas of the disk not allocated to listed files, or opening every file and scanning its contents briefly to determine whether it falls within the scope of the warrant.

30. In light of these concerns, I hereby request the Court's permission to seize the computer hardware (and associated peripherals, to include any and all data storage devices and media) that are believed to contain some or all of the evidence and/or instrumentalities described in the warrant, and to conduct an off-site search of the hardware for the evidence described, if, upon arriving at the scene, the agents executing the search conclude that it would be impractical to search the computer hardware on-site for this evidence.

31. Based on the foregoing, I also request permission to use whatever data analysis techniques appear necessary to locate and retrieve the evidence described in the exhibits hereto.

32. Based upon the above, I believe probable cause exists to establish that evidence exists, as described in detail in Attachment A, of a violation of Title 18 USC 1343 at 8228 Old Federal Road, Montgomery, Alabama, 36117 and 2613 #A Bay Street, Montgomery, Alabama, 36107. ^{CP}_{SP}


Christopher P. LaCarter, Affiant
Special Agent, FBI

Sworn and subscribed before me this 23rd day of January, 2007


United States Magistrate Judge